



EXECUTIVE OFFICE OF THE PRESIDENT

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OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

0LC76-1228

April 23, 1976

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer

Department of Justice  
Department of Defense  
Central Intelligence Agency

*O/Ked  
by WFB  
4/27 d*

SUBJECT: Treasury's draft report on H.R. 12039 a bill,  
"To amend the Privacy Act of 1974."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than noon, Tuesday, April 27, 1976

Questions should be referred to Robert E. Carlstrom  
(395-3856) or to -----  
the legislative analyst in this office.

cc:  
Mr. Frey            Mr. Lazarus  
Mr. Duval         Mr. Bedell  
Mr. Jordan        Mr. Reeder  
Mr. Donahue  
Mr. Stubbing  
Mr. Parsons  
Enclosures

*Bernard H. Martin*  
Bernard H. Martin for  
Assistant Director for  
Legislative Reference

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THE GENERAL COUNSEL OF THE TREASURY  
WASHINGTON, D.C. 20220

4/23/76

Dear Ms. Abzug:

This is in reference to H.R. 12039 which would amend the Privacy Act of 1974. The majority of the bill, as far as the Department of Treasury is concerned, would affect the Internal Revenue Service, whose representatives are scheduled to testify before your subcommittee. Section (5) of the bill, however, affects the Secret Service. Though the Department of Treasury was not requested by your committee to provide comments on that provision of the bill, the effect of section (5) is far reaching and we feel, therefore, obligated to provide comments.

Section (5) would amend the Privacy Act by "striking out paragraph (3) of subsection (k) and redesignating the following paragraphs accordingly". As you know, section (k)(3) exempts from certain subsections of the Privacy Act records "maintained in connection with providing protective services to the President of the United States or other individuals pursuant to section 3056 of title 18". The free flow of information to the Secret Service to assist it in its responsibility of providing protection to the President and other officials and dignitaries would be impeded by the removal of exemption (k)(3) from the Privacy Act. Sources of information would be somewhat reluctant to come forward with information, which could be of significant value, if those sources realized that the information that they provided could be disclosed to those who were threats to or had actually threatened protectees of the Secret Service. Furthermore, the disclosure of such information raises a genuine possibility that an individual who gains access to it might be able to use it in a manner which would compromise the protective capability of the Secret Service.

The maintenance of confidentiality in those areas concerning protective information is of prime importance. As has been demonstrated to Congress on numerous occasions, the Secret Service relies upon various sources for information which it utilizes in providing the best possible security for its protectees. Without assurances of confidentiality, many sources of information may not come forward

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therefore depriving the Secret Service of intelligence information which may be necessary to assist it in the performance of its mission. The non-availability of such information would interfere with the protection provided the President and other protectees by the Secret Service, and such interference could have grave consequences for the United States.

International law and practice require that adequate protection be provided foreign officials while visiting another country. The Secret Service is responsible for the protection of foreign Heads of State and other specially designated distinguished foreign visitors while they are in the United States. If section (5) of H.R. 12039 becomes law, not only would the protection of the President of the United States be endangered, but also the security provided to visiting foreign Chiefs of State and other designated official foreign visitors to this country. In view of the increasing frequency of such official foreign visits to the United States, especially during this Bicentennial year, every effort possible should be made to assure that no harm comes to these official foreign guests of our country. During a visit to the United States by a foreign Head of State, the Secret Service must have available any information that would pertain to his security during the visit. If the sources of pertinent information realize that their identities may be disclosed under the Privacy Act, in many instances information may not be supplied. Additionally, the disclosure of information already supplied to the Service may very well compromise its ability to protect an individual.

The Department of the Treasury strongly believes that section (k) (3) must remain in the Privacy Act if the Secret Service is not to be faced with the possible serious compromise of its protective mission. Furthermore, we not only believe that the maintenance of section

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(k) (3) in the Privacy Act is critical, but also that the Congress should consider a similar provision exempting the protective files of the Secret Service from the Freedom of Information Act.

Sincerely,

Richard R. Albrecht  
General Counsel

The Honorable  
Bella S. Abzug  
Chairwoman  
Government Information and Individual  
Rights Subcommittee of the Committee  
On Government Operations  
United States House of Representatives  
Washington, D.C. 20515